

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 694 - HB 1584**

March 30, 2009

**SUMMARY OF BILL:** Effective October 1, 2009, requires entities that enter into a direct contract with providers for the delivery of health-care services to register with the Department of Commerce and Insurance within 30 days of starting business. Each contracting entity that is not currently licensed as an insurer is required to register with the Department within 90 days of the passage of this bill. Authorizes the Department to collect a fee for each registration. This bill does not apply to provider network contracts for services provided to Medicare as part of medical assistance pursuant to the Medical Assistance Act or the Long-Term Care Community Choices Act of 2008, or to beneficiaries for services under the CoverKids Act of 2006 or any other state children's health insurance program beneficiaries.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$40,000**

**Increase State Expenditures - \$40,000**

Assumptions:

- Twenty registrants paying a fee of \$2,000 each will fully offset the cost of administering the registration program. Registrations are valid for one year.
- Recurring increase in state revenue is estimated to equal \$40,000 (20 registrants x \$2,000 registration fee).

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

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